

Housing Commission
Tuesday, January 10, 2006
Minutes

Committee Members Present: Joseph Bodmer, Valora Thompson, Eric Timar, Don Brobst, Mary Beth Sefton-Hutchinson (Human Services Advisory Council)
Staff Members: Tennille Smith Parker, Susan Richter, Cindy Mester

Call to Order:

Call to order at 7:35 p.m.

Roll Call:

Commissioners Present: Joseph Bodmer, Don Brobst, Eric Timar
Absent: Commissioner Valora Thompson
Staff present: Tennille Smith Parker, Pam Doran

Approval of Minutes:

Motion was made by Mr. Bodmer and seconded by Mr. Timar.

New Business:

**Public hearing: Prioritizing Community Development Block Grant (CDBG)
and Home Investment Partnerships (HOME) funds**

Questions from the Housing Commission

- Q. Are the current CDBG and HOME eligibility categories defined the City or through the federal guidelines. What are the current eligibility categories?
- A. The categories are defined by federal statute. The current categories for CDBG include administration, public services, and all other eligible CDBG activities.

- Q. Would the Falls Church Housing Corporation (FCHC) like to speak to their suggestions for how the City may prioritize these funds?
- A. Carol Jackson, the FCHC Executive Director, summarized the comments and expressed support for the discussion. Ms. Jackson explained that it is unclear why there are separate award processes for similar proposals. Ms. Jackson reiterated that there is limited funding available and that the current funding system forces constant competition between and within service organizations. Ms. Jackson recommended that the CDBG, HOME, and Community Service Fund (CSF) awards be combined into a single grant cycle.

- Q. What is the current "over subscription" of grant funds from the CDBG and CSF?
- A. Staff indicated that the CSF FY2007 applications are approximately \$50,000 higher than the budgeted funding allocation. The CDBG FY2007 applicants requested \$90,000 more than the budgeted amount.

- Q. What are major differences between CDBG and HOME vs. CSF?

A. Staff indicated that the two grant programs fund the same activities, but the CDBG program has a specific list of activities that are not eligible. In addition, the CSF “expire” at the end of the fiscal year, but the CDBG funds may be carried into the next fiscal year.

Q. What about the idea of combining all of the funds (CDBG and HOME) for affordable housing? Would the Falls Church Housing Corporation (FCHC) like to speak to this suggestion?

A. The FCHC indicated it does not support combining the funds because it results in competing goals for applicants. Commissioner Timar indicated that he did not think it was a good idea, as it would prohibit non-housing organizations from applying.

Chair Bodmer and other members of the Housing Commission asked staff to prepare a report that outlines the following:

What is the time spent for the CDBG awards process? CSF awards process?

What is the cost of the awards process for both CDBG and CSF?

What is the savings to the City if both programs were combined?

How many proposals were received in FY07 for both CDBG and CSF?

What was the total amount of funds requested for CDBG and CSF?

The Housing Commission is also interested in discussing how a combined CDBG/CSF application would be reviewed and would like staff input on this.

Ms. Kathy Halayko, Principal of Mt. Daniel Elementary, and lead applicant for current CDBG activity (Even Start Family Literacy Program). Ms. Halayko expressed concern for limited funds and would want to see the total amount of CDBG funds available for community activities.

The Commissioners agreed that, even if the grants were combined, there must be a mechanism to distinguish the housing and human services activities. Mr. Brobst noted that combining the CDBG and CSF grants would be easier, but it would still be a fixed pool of money available.

Chair Bodmer indicated that he would welcome an opportunity to discuss these details with the Human Services Advisory Council (HSAC), perhaps even a joint meeting. Staff indicated that the minutes from the Housing Commission meeting would be shared with the HSAC. The Housing Commission indicated it would be prepared to offer a final recommendation after the receipt of the requested information and an opportunity to meet/discuss with HSAC.

The City Council will receive this as an information item this spring.

City Demographic Study Briefing (Ms. Doran)

Ms. Doran indicated that the City is initiating a telephone-based survey to all City of Falls Church phone numbers. The purpose of the study is to collect current information about the population, especially data concerning why people choose to

live in the City, how long residents plan on staying in the City, housing expenses. The data will be used to help the City assess current and future needs and provides more accurate data than the 2000 Census information. The information provided by households will be confidential to the City. The City is using a contract firm to administer the survey and all data will belong to the City at the conclusion of the survey.

Tax Abatement (Ms. Doran)

Ms. Doran provided an overview of the impetus for a discussion of tax abatement and revision of the CSF criteria. Recently, the City received a request for the abatement of taxes for an affordable housing property, but there is currently no mechanism recorded to provide abatement. The Housing Commission and HSAC are asked to provide a recommendation (support/no support) regarding the proposed tax abatement and to provide input on the terms under which a “grant in lieu of taxes” would be awarded. Ms. Doran provided a copy of the draft CSF criteria that could incorporate a “grant in lieu of taxes” and a copy of the request from the FCHC for tax abatement.

Ms. Doran reiterated that any decision would ultimately require City Council legislative approval. In addition, once an entity is designated for tax abatement, it is unlikely that designation would be reversed.

Mr. Brobst noted that, in general, he did not support tax abatement, however a grant is appropriate because it provides an opportunity for monitoring and performance accountability. Ms. Doran indicated that the state code provisions provide for a monitoring at least once within the three-year period. The Commission reviewed the sample worksheet of the types of organizations that could be eligible (501(c)), entities, but expressed concern that it could include corporate entities with 501(c) tax designations.

The Commission requested that this item be moved to the February meeting agenda and that they would be interested in discussing this with the HSAC.

Boards and Commissions Open House -- Wed. Feb. 1 at 7:30 p.m.

Ms. Parker invited members of the Commission to participate in the Boards & Commissions open house to represent the Housing Commission. Chair Bodmer and Mr. Brobst indicated they would attend.

2006 Housing & Community Development Tour

Ms. Parker invited members of the Commission to participate in a tour of the Community especially designed for the Commission. Commissioners were asked to select dates (April 7, 21 or 28) to tour the community. The tour would include rental housing, CDBG projects and Affordable Dwelling Unit (ADU) communities.

Staff Report:

- Falls Church Housing Corporation Update: Ms. Jackson shared that the FCHC will be moving its offices to Winter Hill. The Housing Commission is invited to attend its community meeting at the end of February opening. FCHC recently hired a new

community life staff member for the residents at Winter Hill. FCHC is looking at options as it contemplates the renewal of the Section 8 Housing Assistance Payments contract for Winter Hill Apartments. Winter Hill residents are “aging in place” and the FCHC is looking at options for the property and options for tenants that would be appropriate.

- **Fair Housing Testing:** Ms. Parker provided copies of the latest Fair Housing Testing results. The testing was conducted in all of the new mixed use condominium developments: Byron, Spectrum, and Broadway. The testing used “testers” who did/did not have household members under the age of 18. The purpose of the testing was to ensure that family households received the same services/opportunity as non-family households trying to purchase housing in these communities. Discrimination on the basis of having children under the age of 18 is prohibited in the Fair Housing Act.
- **City Capital Improvement Plan: Affordable Housing Funds**
The City's Capital Improvements Program (CIP) for Fiscal Years 2007-2011 is under review. The CIP has several projects, including a request for two affordable housing items: a) \$150,000 for FY 2007 to hire a consultant to assist with the development of a [PPEA] proposal inviting developers to submit plans for affordable housing development; and b) \$2,000,000 in FY 2008 to leverage funds for the with the acquisition of existing [market-rate] affordable housing or development recommended through the PPEA solicitation. The Housing Commission is invited to comment on these items.
- **Legal Services of Northern Virginia (LSNV) community outreach**
Ms. Parker indicated that the City is partnering with several CDBG grantees to improve community outreach efforts. To begin the effort, the City will partner with LSNV to host an information session and an opportunity for residents to ask questions with LSNV attorneys.
- **Metropolitan Council of Governments: Housing Items**
Ms. Parker reported that the regional Metropolitan Washington Council of Governments (MWCOG) Housing Directors’ Advisory Committee (HDAC) will make recommendations on several items including regional affordable housing targets and local definitions of “family” for zoning code purposes. In addition, the MWCOG HDAC will sponsor predatory lending training.

The meeting adjourned at 9:30 p.m.

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